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By John B. ShepardPage 3

Those of you who keep back copies of Marketing Activities might re-read "A Plan for Solving Our Wartime Food Problems," which appeared in the February 1942 issue under Mr. Shepard's name. At that time, most of us were "surplus-minded"--but not Shepard. He predicted rationing, the shift to plainer diets, the labor shortage, the emphasis on production of essential crops. In brief, Shep is quite a forecaster.

WHAT! NO SPUDS?

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Nobody ever thought there would be a shortage of the lowly spud. Why--back in the good old days grocers stuck a potato on the snout of the kerosene can and it was a good stopper indeed. Today almost anybody would trade a can of no-knock kerosene for a great big baking potato.

MISUNDERSTANDINGS THREATEN FOOD PRODUCTION

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The men who are turning out the planes, ships, tanks, and guns have important jobs--nobody would deny that. But so do the fellows who turn out the beans, peas, carrots, and spinach. The doughboy--wherever he may be--needs both to win the war.

SPREAD THE ADVERTISING!

By Nathan KoenigPage 18

We never thought about it before but that big fat newspaper the boy leaves at our door on Thursday evening is just chuck full of grocery advertising. Now don't misunderstand us--we're all for advertising and we don't want anything we say to reduce it by one jot or tittle. We'd just like to see that advertising spread out over the early part of the week.

--V--

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WHAT WILL THE HARVEST BE?

. . . By John B. Shepard

Crop production in 1943 could be the largest in history--away and beyond anything we've ever had before. On the other hand, it could be disastrously small, as in 1934 and 1936. Chances are that production will be somewhere between the two extremes.

We can be more definite than that, however. With just average weather from now on and no unusual harvesting losses, we should expect crop yields per acre to be about 12 percent below those of last year but about 20 percent above the 1923-32 or "pre-drought" average. With just average weather, the production situation is encouraging.

But some meteorologists, noting the favorable weather of the past few years, believe we should expect better than average weather this year and point to the "37-year cycle." This particular weather cycle was thoroughly investigated over 50 years ago by Dr. Edward Bruckner, professor of geography in a Swiss university, and his work has become a classic for the patient collection and analysis of material from a great variety of sources.

Bruckner's Investigations

Bruckner studied all the records of rainfall, pressure, and temperature available at the time and carried the record back into earlier centuries by studying the variations of level in the Caspian Sea and other enclosed bodies of water. He investigated the historic variations of ice conditions on the rivers of Europe, the dates of the wine harvest, the frequency of severe winters. From all this material he deduced the existence of a long succession of cycles--series of generally warm and dry years alternating with series of generally cool and rainy years occurring at somewhat irregular intervals of about 37 years.

How has this theory worked out? There may be something significant in the fact that the weather from 1903 to 1909 inclusive was very favorable in the agricultural Middle West. Add 37 years to 1903 and you get 1940--a good crop year. Put 37 years on 1904 and you get 1941, which was even better. The cycle did itself up proud in 1942, with the best growing weather in the Nation's history. In 1943? You'll have to take what comfort you can from this Nostradamus of the growing seasons.

Anyway, there seems no reason now to assume that weather conditions in 1943 will be as bad as through the hot, dry 1930-39 period. If we have a drought it seems more likely to be a local rather than a national problem for there is a fairly good reserve of subsoil moisture under most of the Great Plains area and the mountain snow pack and overflowing reservoirs insure a good supply of water in most of the irrigated areas. The present southwestern drought is cause for concern, but the

season is still early and the damage so far has been small.

A second favorable factor in the crop production situation is the consistent upward trend in yields. The general level of crop yields that may be expected this year is about 20 percent above the yields obtained under comparable weather conditions between 10 and 20 years ago. We are better farmers today than we were then; we have better tools, better seed, and we are following better farming practices.

Hybrid seed corn has added six bushels per acre to the national average yield. Wheat is suffering from drought in the Southwest but should produce more than the long-time average, because part of the acreage was seeded last fall under very favorable circumstances and moisture conditions are excellent in most of the area where wheat will be sown this spring. Yields per acre of oats, beans, and soybeans have been rising in recent years, chiefly as a result of the wider distribution of high-yielding varieties. Yields per acre of cotton, potatoes, and tobacco have recently been 20 to 30 percent above the average yields during previous decades.

There are other favorable factors in the crop production situation. We may have the largest acreage for harvest since 1932. We have the largest reserve of power equipment on farms we ever have had. And--looking at the matter psychologically--we have a call from the United Nations for all the food we can produce and those of us who have sons in the service will not let the grass grow under our feet.

Difficulties

Yet, there are difficulties to overcome. There is the shortage of manpower, which will definitely limit crop production on many individual farms. Within commuting distance of munitions plants the need for industrial workers will continue to draw farm laborers and some farmers from the smaller and less efficient farms. Even in the back country the present movement of farm workers is away from the less productive farming areas and only a part of those moving are going to farming areas elsewhere. The number of people working on farms on March 1 was lower than on the same date in any of the 19 years for which we have estimates--and the average "quality" of the labor was probably lower than during most years.

To most farmers the harvesting problem now looks more serious than the machine job of planting. If haying and harvesting are delayed by wet weather, losses must be expected for transient workers will not hang around long these days waiting for the weather to clear. But in sizing up the harvesting problem we should allow for the probability of smaller yields than those of last year. Considering all crops there may be 2 or 3 percent more acres to harvest than were harvested last year, but with not better than average weather the harvested tonnage is likely to be about 9 percent less than in 1942.

On the whole, the harvesting problem does not appear likely to be materially greater than at harvest time last year, and the chief difficulties are to be expected locally where bad weather interferes, where transient labor is usually used, or where the acreage of some special crops such as soybeans, peanuts, potatoes, sweetpotatoes, etc. is expanded beyond the area that can be handled efficiently with available machinery, equipment, storage space, and transportation facilities.

There will be some increases in the number of harvesting machines and they probably will be worked more days. There will be 300,000 combines in operation or enough to harvest 75,000,000 acres. There will probably be 160,000 corn pickers in operation--enough to pick 16,000,000 acres of corn at the usual acreage per machine.

Closer utilization of the mechanical horsepower on farms could go a long way toward solving the farm labor shortage. At present there are about 1,900,000 tractors on United States farms, and, according to a recent survey, they are capable of plowing an average of 8 acres per 10-hour day. On paper, if all were worked 10 hours per day, they could do a full year's plowing in 2 weeks. As a practical proposition the problem is not so easy but the job of planting an increased acreage could be done; that is, if the need for more food and feed were sufficiently urgent to justify financing the extra expense of night operation, moving idle tractors to areas where they could be used, and exchanging horse labor and tractor work between neighboring farms, an even larger crop acreage than is now planned could be grown or a larger percentage of the acreage could be put into high-yielding cultivated crops.

Plantings

Actual plantings will be largely affected by prices as they are today, by the price ceilings that farmers expect to be in effect at harvest time, and by weather conditions during the next few months. We cannot tell exactly how the increases and decreases will balance out but there will probably be a small net increase, perhaps 3 percent. With prices of field crops 20 percent higher than a year ago, the wage rates paid to farm labor show an increase of 35 percent and are now above what many farmers in the less productive farming areas can earn and above what they can afford to pay.

Yet, on the more productive and mechanized farms, where fewer hours of labor are needed to raise a bushel of grain, farmers are bidding high for men, for land, and for machines. In the Corn Belt they are doing everything they can to raise more corn, more hogs, and more chickens. Farther west they are singing "In this wheat, buy and buy." In the range country they are paying off debts and counting the days to new grass. On both coasts and around industrial areas many thousands of farmers are making more money than ever before - working full time in the factories and milking the cows after dark. This speaks well for farmers, who know that the production job must be done.

In the long run the volume of crops we raise depends largely on how good a table we try to set. It takes several times as much manpower to produce ham and eggs as it does to supply the same number of pounds of protein and the same number of calories in the form of cereals, beans, and soybeans. Reducing our weekly butter ration from the usual average of nearly 5 ounces per capita per week to 4 ounces and substituting vegetable oils would reduce net farm labor requirements by the equivalent of 100,000 workers. To the extent that our soldiers, our allies, and our civilian population really need the animal protein we shall continue to press for increased production of meat, milk, and eggs.

But as the war progresses we will tighten our belts. We will substitute pancakes and buttermilk for pork chops, and substitute oleomargarine and gravy for butter. We will substitute greens from the garden and carrots and beets stored in the cellar for some of the canned vegetables we formerly bought. We will have more beans and less meat in the stew. We will tax away part of the excess spending money and we will reduce wastage by rationing. We will watch our vitamins and clean our plates. We will divide our food more evenly than in past years.

And if crop yields--and production--turn out smaller than we think now, we, as a Nation, probably will be nourished as well and perhaps even better than in most recent years.

--V--

U.S. INDEPENDENT OF ITALY IN CITRUS OILS

As a result of the war, tiny rind cells from citrus fruits that formerly went to waste are now giving up their contents to supply all the lemon and orange oils that flavor U. S. foods, beverages, and medicines. Moreover, U. S. producers are supplying our allies with the oils. As of April 1, 1943, the Food Distribution Administration had delivered for shipment under Lend Lease 229,577 pounds of lemon oil and 21,961 pounds of orange oil.

Until 1939, Italy supplied large quantities of these citrus oils to meet U. S. needs. Italian small farmers and farm laborers extracted them either by scraping the rind surface with a spoon, or by twisting the fruit against ridges set within a funnel--a sort of orange juice extractor in reverse--and catching the oil from the ruptured cells after it trickled down the funnel spout.

When war cut off shipping between Italy and the United States, American distributors began to produce greater amounts of citrus oils as by-products--usually expelling them from the rinds in hydraulic cold presses after the pulp had been removed. Right now, as a result, this country is self-sufficient in the oils, most of which are produced in California.

WHAT! NO SPUDS?

. . . . By Phil Perdue

Mrs. Brown was surprised. She was chagrined, too, but mostly she was surprised.

"But Mr. Schultz, well, . . . I never heard of such . . . no potatoes?"

"Not a one, Mrs. Brown. Sorry, but we haven't been able to get any ourselves...not since day before yesterday. Maybe we'll have some tomorrow."

"Well, my goodness, I never thought we'd run out of potatoes," she said, almost to herself, and turned toward the bread counter. Suddenly, suspiciously, she turned back to the grocer. "And why can't you get any potatoes?"

All Mr. Schultz knew was that his wholesaler couldn't furnish all he needed to meet his customers' demands; but he didn't want to go into all of that.

"Oh, it's just the war, Mrs. Brown. You know, the war."

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That wasn't a very good answer, was it, Mrs. Brown? But don't blame Mr. Schultz. He's a mighty busy man these days, what with price ceilings, rationing, and a lot of questioning customers. If you'd care to follow us on a little trip, though, we'd be glad to show you first-hand just why you can't get potatoes today, and why Mr. Schultz may be "out" occasionally for some weeks yet to come. Okay, fine -- where's my hat.

En route, Mrs. Brown, let me give you a little background on potato supplies -- facts I picked up from Department of Agriculture experts. In the first place, there always is a delicate balance between supply and demand on potatoes in the spring months. During this period, we are using up the last of our old crop potatoes, and the new crop potatoes aren't coming in in very great quantity from the South. Ordinarily, supply and demand are pretty steady factors, and there's no hitch.

But this spring--well, that delicate balance has gone awry. We used up our old crop potatoes too fast and the new crop that is coming in now isn't big enough by itself to stand the entire burden of an expanded demand. With our old crop supplies prematurely gone, it is pretty much a matter of waiting until the new crop shipments become large enough to meet the demand and there probably will be days that Mr. Schultz and other grocers will have empty bins. This situation is almost sure to last until the end of May.

So, you want to know where all of the old potatoes went so fast, eh, Mrs. Brown? Well, here we are at our first stop, an Army camp.

See those draftees eating potatoes. They eat about 50 percent more as soldiers than they did as civilians, and that adds a little to the overall demand which can't stand a great deal at this season. Not only are our soldiers eating potatoes here in this country, but they're eating them all over the world. Overseas they use dehydrated potatoes because they're easier to ship, store, and even cook. Only about 1 percent of our potato crop was dehydrated last year, but every little bit counts, you know, and it shows up right at this time of the year.

But that's only part of the answer. Let's drop down over to Michigan and see an old friend of mine, Farmer Henderson.

Like for you to meet Mrs. Brown, Mr. Henderson. We just dropped around to see what you are doing. Planting potatoes, eh?

"Mighty glad to meet you, Mrs. Brown. Yep - I'm planting potatoes. Government's asking us farmers to put in about a hundred and fifteen or 20 acres for every hundred we planted last year -- so's to be sure of plenty of spuds this summer and fall and next spring."

Yep, Mr. Henderson, we'll need a lot more next year. Mrs. Brown, here, couldn't get potatoes in her store today, and, ... well, I'm trying to show her some of the reasons why. Got any answers for her, Mr. Henderson?

Seed Needed

"Sure, I know one, anyway. You're asking us farmers to grow more potatoes so's you'll have plenty for everybody, including our soldiers. Can't grow more potatoes without more seed. Some of the potatoes you couldn't get today at your store are right there in the ground now, so you'll have a big supply later. You can't eat your potatoes and plant 'em too. It's a matter of goin' easy on eating 'em for a few weeks this spring, or goin' short all next year. But, heck, I didn't mean to make a speech."

Thanks, Farmer Henderson, you've given us another answer. Now, Mrs. Brown, let's be off -- we've got some more visits to make. Our next stop is a kitchen--your neighbor's, Mrs. Jones. Don't worry, nobody's home.

Let's look first in her cupboard. Look in that big sack. Yep, potatoes ... about 30 pounds, I'd guess. She read in the paper that there was going to be a potato shortage, so she did a little hoarding.

Put your hand deep down in the sack, Mrs. Brown.

They're just about rotten, aren't they. They're good for nobody now, not even Mrs. Jones. Waste by unthinking or unpatriotic consumers doesn't exactly help stretch our food supply. When she bought a 50-pound sack, instead of the usual 5 pounds, she kept 9 other consumers from getting any at all that day. And now they've rotted because her kitchen is not the place to store potatoes.

But don't be too critical, Mrs. Brown. No, I know you haven't hoarded. Just the same let's go over to your kitchen.

Where's your garbage pail? Oh, yes. All right, let's peek in it. See those thick potato peelings? If you're an average housewife, you literally throw away a fifth of each potato by peeling it before it is cooked. A fifth of all the potatoes you have had in the past year would be enough to last until the Fourth of July. How about helping yourself and Uncle Sam, too, by cooking your spuds with the jackets on --and you'll be saving a lot of vitamins and minerals for your family, too?

Well, those are a few of the reasons why Mr. Schultz didn't have any potatoes today. Of course, the armed forces, farmers, and hoarders don't make up the entire answer. You, and 127 million other civilians are wanting to buy more potatoes than ever before, since you can't get all of the meat, canned goods, and other foodstuffs that your bulging pocketbooks will permit.

Why hasn't the Government rationed potatoes? In the first place, it is only a temporary situation. Before rationing could be set up, the shortage probably would vanish. If the farmers are favored by even fairly good weather, we should have a big supply by the middle of the summer. It is difficult, too, to ration an item that has such a rapid change in supply.

Price Ceilings

The Office of Price Administration has had its hands full with trying to get the proper kind of price ceilings erected over potatoes.

First, OPA established temporary ceilings on table potatoes -- a freeze-type ceiling. Put it on in a hurry to prevent rises in prices to consumers. Some areas were caught with abnormally low prices and others with very high prices. This naturally caused many headaches in distribution channels. OPA a little later established permanent ceilings, and these corrected some of these inequalities.

But there were no ceilings on certified seed or "selected" seed potatoes. The catch was that there's no difference between "selected" seed spuds and the kind you eat on your dinner table. So some shippers arbitrarily labeled most or all of their potatoes as "selected" seed and

got around the price ceiling--even though the potatoes eventually were eaten and not used as seed at all.

To correct this, OPA established ceilings for "selected" seed potatoes at 75 cents a hundredweight higher than the ceilings for table potatoes and prohibited their sale for table use. This, however, didn't discourage some shippers from labeling their potatoes any way they wanted to, and shipping them as seed. Many of those spuds went into black markets and ended up on the dinner tables of persons who didn't mind paying black market prices if they could get the food.

Farmers were having a hard time obtaining the necessary seed, and Army camps and convoys were unable to meet more than a small portion of their requirements. A shipment of potatoes labeled as "selected" seed would be sent out of Maine, for example, and ostensibly be headed for a growing region. En route, they would be diverted to some big consumption center and sold on the black market. This left many growers holding an empty seed bag. As Farmer Henderson said, you can't eat your potatoes and plant them, too.

Priorities

The armed forces had been purchasing under a priority system--but the priority applied only to table-stock potatoes. So they had no way of enforcing their priority on the potatoes the shippers chose to label as seed. As a result, some Army camps were running low on potatoes, others were out. In some cases, convoys were held up for hours and even days waiting to get potatoes for the ships.

Another way potatoes were slipping around the regulations and price ceilings was through direct purchases from growers. Some buyers, with bulging money belts, would go directly to the producers, pay a fancy price, then bill the potatoes back to themselves at ceiling prices. This circumvention of the regular shippers, through which the armed forces were purchasing, also served to prevent their purchase of adequate supplies for the men in uniform.

As soon as one regulation was imposed, a loophole was found. Enforcement was next to impossible through a lack of investigators and other personnel. Then, the War Food Administration issued a regulation to correct the diversion of potatoes, and make sure that pressing Government requirements were met.

Food Distribution Order 49, issued about mid-April, set up a permit system in Maine, the source of the largest concentration of old-crop potatoes, which required every shipper to obtain a shipping permit for each carload moved. In order to get the permit, the shippers were required to offer enough potatoes to meet Government needs. The portion not needed (small as it was by mid-April) was then allowed to enter regular trade channels.

Well, that's what happened to the old potato supply, Mrs. Brown. Our armed forces have been more nearly meeting their requirements of late, which is another reason why you haven't been able to meet yours. You certainly don't object to that.

Console yourself with the knowledge that increasingly large shipments of new potatoes are now coming in from Alabama, California, Texas, Louisiana, and the other early and intermediate producing States. This means that the spring spud shortage is about licked.

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FARM EMPLOYMENT AT NEW LOW LEVEL

Farm employment showed nearly the usual relative seasonal increase from January 1 to April 1, but even so the April 1 figure established a new low for the month, as has been true each month this year. It is estimated that on April 1, 9,308,000 persons were employed on farms, including 7,433,000 family workers and 1,875,000 hired hands. This represents a 7 percent decrease in hired workers from a year ago but very little change in the number of family workers.

The continuance of family worker employment at relatively high levels in 1943, despite record losses in farm population during 1942, indicates fuller utilization of the services of persons not ordinarily a part of the farm labor force. Persons are considered to be employed on farms if they were engaged in farm work 2 or more days during the week of inquiry. Thus the replacement of experienced full-time hands by the same number of women, children, or older people working 2 or 3 days a week does not change the employment figures, but the composition of the labor force may be materially affected.

Moving in response to the laws of supply and demand, monthly farm wage rates on April 1 were at the highest levels of record. The monthly rate, with board, averaged \$53.84 for the United States as a whole, while the monthly rate without board averaged \$67.21. There was a considerable variation in these rates as between regions, however. The monthly rate with board varied from a low of \$29.14 in the East South Central States to \$104.99 on the Pacific Coast. The monthly rate without board varied from \$40.01 to \$139.50 in the same areas.

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The Nation's wheat flour milling industry has been asked by the War Food Administration to increase its 1943 production 25 percent over 1942 to meet greater nutritional requirements. The request was made recently at a meeting of the Milling Industry Food Advisory Committee, at which Government officials pointed to an increasing dependency upon wheat flour as a major nutrition source.

SOYA PRODUCT INCREASE SEEN

Production capacity for edible soya products--the high-protein foods soon to have an important place in both military and civilian diets--is expected to reach 1-1/2 billion pounds annually by December if the expansion program continues at its present rate. While a large part of this production will be needed for direct war requirements, the quantity available for civilians will be many times as large as it has been in the past year.

Launched by the Department of Agriculture last December, the expansion program is expected to supply adequate quantities of soya products--chiefly flour, grits, and flakes--to meet all requirements, including the anticipated heavy post-war needs. Expansion in 1943 is going ahead at a faster rate than was thought possible several months ago, and production capacity on an annual basis should pass the billion pound mark by midsummer.

Special committees in the Department are now developing a program for the utilization of soy products--both in kitchen recipes and in prepared foodstuffs--so as to take full advantage of this important protein food in the American diet.

Soya products already have played a significant wartime rôle. Rich in valuable protein, minerals, and vitamins, they are readily adaptable to large-scale use as a human food to supplement meat, milk, and eggs. With present production at about a half-billion pounds, most of the output has been needed to meet expanded war requirements. Large quantities have been used in the military diets of the Allies for fortifying cereal foods, meats, and other products.

Most of the soya products used domestically have been utilized by food manufacturers for fortifying or extending various cereal and meat products. Increasing amounts will be available for this purpose as well as for direct use in the home.

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To prevent an increase in milk costs to consumers, milk prices in the Washington, D.C., Baltimore, and Philadelphia areas have been stabilized at present retail levels through a Government-sponsored milk purchase and resale arrangement. In the Washington, D. C. area, Class I fluid milk is purchased by the Commodity Credit Corporation from dealers at a price of \$4.00 per hundredweight and resold to consumers, through the dealers, at lower prices. Under this arrangement, producers receive an increase of 43 cents per hundredweight--from \$3.57 to \$4.00--while prices to consumers are held at present levels, in keeping with the President's recent "Hold the Line" order. The arrangements in Baltimore and Philadelphia operate similarly.

MISUNDERSTANDINGS THREATEN FOOD PRODUCTION

. . . . By Grant Lyons

"Lack of food proved our undoing."

Those tragic words from Bataan now have a place in American history. Coming when they did, not long after we became embroiled in World War II, they brought a grim determination to this Nation that the same message never would be repeated -- that, through the efforts of farmers, transportation agencies, processing plants, and others concerned with the production and distribution of food, our soldiers and the soldiers of our Allies would be fed.

Up to now this determination has borne fruit. The American Army and its Allies have had a tremendous edge on the Axis aggressors in the matter of food. But now, and through misunderstandings in the food industries, this edge is being threatened.

Reports received from various sections of the country indicate that men and women are indiscriminately leaving their jobs in food trades for other employment. Continuation of this trend may result in lessening the production of a war weapon that is as vital as guns and tanks and planes. Men doing front line fighting cannot hold out long without food. Nor can home front workers long continue to supply the more sinister implements of war without adequate diets.

The Misunderstandings

There are two things responsible for this threat to the war effort and both of them are misunderstandings -- misunderstanding of the importance of food processing and distribution and misunderstanding of the wage competition that exists between war industries.

Many workers in the food processing and distribution industry have come to the conclusion that their work is not an activity essential to the war. As a result, many employees of the food trades are leaving their present jobs to take positions in other plants.

There is another factor in the situation. Prior to the job-wage control order issued by the War Manpower Commission on April 17, war industries with higher pay schedules were drawing off employees from other industries with lower wage rates. Employers in the lower paying industries lacked understanding of how they could meet this wage competition under the "wage freezing" order. This accelerated the movement of workers from the food trades to the other war industries, according to reports.

Take the case of the John Doe Egg Drying Company. Since 1941 its business has grown tremendously under the impetus of Government contracts. Now it is drying eggs not only for our military forces, but for shipment

to our Allies. This great upsurge in business has been met over the past 2 years by a large increase in plant facilities, the hiring of a large number of employees, and by contracting for greater supplies of shell eggs.

Then, not so long ago, trouble started. Jim Jones, skilled dryer operator, failed to come to work one morning. A friend reported that he had left to take a job in a nearby gun factory at better wages. The morning Jim left, the foreman of his division had to take an hour or so regrouping his men so as to make up, in part, for Jim's absence. Production dropped off that day.

It continued to drop off as some of Jim's friends were attracted to the gun factory by the higher wages. Other workers started giving notice that they too were going. Deliveries of dried eggs to the Government for direct war needs fell far behind.

Multiply that situation hundreds of times and our soldiers in the South Pacific, Africa, and the Aleutians might say again that:

"Lack of food proved our undoing."

Wage Increase Provisions

But let's see if all this was necessary. Let's see if there wasn't a provision under the wage freeze orders that would have taken care of such a situation. Let's see if the management of the John Doe Canning Company hadn't misunderstood what its wage increase privileges were.

The John Doe Egg Drying Company should have asked the nearest local office of the War and Hour Division, Department of Labor, for a ruling regarding the necessity for official WLB approval of the specifically desired wage adjustment. If approval were necessary the Wage and Hour office would have furnished WLB Form 10, and would have assisted the company in completing the form.

As it worked out, WLB approval was necessary, since the wage increase sought by the John Doe Company was not one of individual promotions or reclassifications, since it did not involve regularly scheduled increases based on merit or length of service, since it did not cover increased productivity under a piece work or incentive program, and since it did not involve the operation of an apprentice or trainee system.

There are two general situations in which WLB has authority to permit wage adjustments. They are:

1. WLB may permit wage increases to correct substandard wage conditions. A national ruling has been issued that plants paying wages of less than 40 cents an hour may increase wages up to that level without WLB approval provided that the wage boost is not to be used as the basis

to request an increase in the price ceiling for any commodity or service. In the meantime regional WLB offices are making studies to determine the prevailing level which may be considered substandard for respective regions. Adjustments up to this level may be approved upon specific application to the proper WLB regional office.

2. WLB may permit wage increases to correct maladjustments. This means that a company may increase wages to meet an increase in the cost of living. The wage increase, however, must not be more than 15 percent above wages paid for the same work on January 1, 1941. This is commonly referred to as the "Little Steel Formula" since it was first permitted for companies in the steel industry.

Solution Found

The John Doe Egg Drying Company was paying wage rates above the 40 cents an hour minimum, but the company had not raised wages since January 1, 1941 and did not know that it could increase wages under the "Little Steel Formula." So a solution to the problem of holding workers by adjusting wages to meet the increased cost of living was found.

Fortunately, as pointed out before, the drying company could make the wage increase without increasing the price of its products. Had a price increase been sought, the wage change application would have had to go through WLB to the Office of Price Administration and all the way to the Office of Economic Stabilization for approval and extreme necessity would have had to be shown to get the application through.

On the other hand, let's look at the situation that developed in the plant from the workers' point of view. Just before Jim Jones left the egg drying company for the gun factory, the former establishment was rife with rumors and misunderstandings concerning deferments. Making their own interpretation of War Manpower Commission and Selective Service System regulations and policies, the men in the John Doe Company decided that they were not "essential" workers entitled to deferment. Those who were skilled machine operators decided they could do more to help the Government by getting into what they considered more important war industries. They were followed by other workers who thought that getting into a plant that made guns would provide a better deferment status than staying in the drying plant.

This confusion among food trade workers regarding their status as "essential" workers under WMC and SSS policies is quite widespread. WMC has specifically designated "food processing" as an essential activity and has issued bulletins calling this to the attention of Selective Service local boards and the U.S. Employment Service offices. It all means that an irreplaceable skilled worker in a food processing trade is just as essential and just as deferrable as one in any other war industry.

In fact, WMC has specifically designated all of the following types

of activity necessary to the food program as "essential": All phases of farming; food processing; production of agricultural equipment; production of materials for packaging and shipping products; production of chemicals and related products, including fertilizers, insecticides, and animal and vegetable fats and oils; warehousing and storage of essential and perishable commodities; agricultural services such as hatcheries, seed processing, farm repair and maintenance and farm product assembly services.

Food Distribution workers may be designated as "locally needed" by Regional Directors of WMC. This designation does not in itself furnish grounds for deferment of such workers, but it does make the trades so designated eligible for U. S. Employment Service recruitment and placement. Selective Service deferment of such workers will be decided according to the general principle laid down in Local Board Memorandum No. 115. This memorandum states specifically that the fact that an activity or occupation has not been certified as essential is not conclusive and that Selective Service Boards shall base their decision on the general principles governing classification and on the facts in the individual case. In other words, a person may be deferred even though he is not in a nationally recognized essential occupation or activity.

Non-deferrable Activities

"Non-deferrable" activities have been specifically listed as having to do with the production of things which either can be done without for the duration of the war, or can be performed by women, older or handicapped workers. WMC Chairman McNutt has stated that this list was intended to apply to workers in industries manufacturing such items as ornamental glass, costume jewelry, greeting cards, and some of the service trades. He stressed that it does not carry any implication for such vital industries as food processing.

Employees having any doubts concerning the "essentiality" of their occupation can check with either their local Selective Service Board or U. S. Employment Service office.

It is important that employers avail themselves of the facilities of local U. S. Employment Service Offices. Orders for personnel should be placed through these offices. Employers should make an inventory of present employment, replacement needs, and future labor requirements on official forms which can be secured from local WMC offices. This inventory should be as detailed as possible in terms of job classifications, selective service status of employees, time required for replacements, possibility of replacement with female or handicapped labor, and so on. Such action will acquaint the WMC offices with personnel problems and will provide them with background in making recommendations on wage and deferment cases.

Meanwhile, the War Food Administration, through its Food Industries Labor Branch, stands ready to help food processors and distributors on

all manpower problems. The branch has information and data on policies and regulations of the various agencies concerned with manpower that will be helpful to food industries in formulating definite labor programs. It has prepared in question and answer form a comprehensive statement covering most of the problems that have arisen concerning food industry manpower and will be glad to send it to any food industry that is running into difficulties.

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LIVESTOCK AND MEAT CONSULTANTS NAMED

The War Food Administration has appointed two executives from the packing industry to serve as consultants on wartime policy matters concerning livestock and meats. The new consultants, G. B. Thorne, vice-president of Wilson and Company, Chicago, and Wells E. Hunt, manager of the Pork and Provision Division of the William Schluderberg-T.J. Kurdle Company, Baltimore, have been assigned to the Livestock and Meats Branch, Food Distribution Administration.

Prior to his affiliation with the Wilson Company, Mr. Thorne served with the Department of Agriculture from 1929 to 1936. His first assignment with the Government was as economist with the Bureau of Agricultural Economics. He later transferred to the Agricultural Adjustment Administration and was director of the North Central Division. He previously had served as executive assistant to Chester C. Davis when the latter was administrator of the AAA. Mr. Thorne is a native of Missouri and a graduate of the University of Missouri.

Mr. Hunt, a native of Scranton, Pa., and a graduate of Pennsylvania State College, taught animal husbandry for a number of years at the University of Maryland. He has been associated with the Baltimore packing company for 9 years, serving recently as supervisor of all live animal purchases. In addition, Mr. Hunt assumed responsibility for the operation of the company's vegetable oil refining operations, including purchases of crude vegetable oils, and refining and shortening manufacturing procedures.

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Recognizing the necessity of maintaining the production of domestic wool for the duration of the war and the desirability of protecting growers from losses that would be incurred if the present stockpile were suddenly disposed of, the War Food Administration has announced a price support program for wool. The Commodity Credit Corporation will buy wool from growers at prices equal to the current ceiling prices less freight and allowances to cover marketing costs. The amount of CCC charges for appraisal, storage, and interest will be 1-1/3 cents per pound. The program applies, at present, only to the 1943 clip.

SPREAD THE ADVERTISING!

. . . . By Nathan Koenig

If somebody told you that housewives do most of their grocery buying at the end of the week, your first reaction probably would be, "So what?" But don't pass it off that way--this week-end buying habit has the food trade worried and properly so, because it is bringing up some serious food distribution problems.

Wholesalers, for example, are having considerable trouble in moving a large quantity of merchandise in a short space of time. Retail grocers are complaining about the difficulty of getting part-time help to handle the week-end buying surge, the strain it puts on their delivery system, and the spoilage of perishable foods when they over-buy. Customers--well, when the stores are crowded, they have to stand around, first on one foot and then the other, trying to attract a clerk's attention; and it has been worse since rationing started, because the coupons inevitably have slowed up transactions.

Advertising Placement

Mr. Grocer will be surprised to hear it, but the War Food Administration thinks that he, through his advertising placement, is largely responsible for the week-end buying habit. He places his retail grocery advertising in the local papers along about Thursday and Friday, and Mrs. Housewife, who watches the ads like a hawk these days, makes up her shopping list and does her buying on Friday or Saturday.

To find out how heavy the advertising concentration is, the War Food Administration made a spot check of advertising placed during a recent 3-week period by large chain, local chain, and independent grocers in 10 large cities. Here is what the check indicated: About 60 percent of retail grocery advertising in daily newspapers is done on the single day, Thursday. Over 86 percent of the advertising is done on Thursday and Friday. Monday, Tuesday, and Wednesday are all very light advertising days, and Saturday, naturally enough, is the lightest of all.

The pattern of heavy Thursday-Friday concentration is generally followed irrespective of the type of grocer, whether independent or chain. Multiply the week-end shopping rush by the 560,000 retail grocery outlets in the United States and it means a tremendous food distribution problem. The job obviously is one of spreading grocery advertising--and buying--out over the neglected early days of each week.

At an early date independent merchants and chain grocers, and their trade associations, will be urged to participate in a Nation-wide campaign to advertise and encourage housewives to do more of their food buying on Mondays, Tuesdays, and Wednesdays so as to cut down on the week-end peak. Food trade publications and newspaper advertising managers can do an

important part of the job by telling the housewife why early-in-the-week buying will help solve one of the really bad food distribution problems.

And, Mr. Grocer, if you think advertising isn't important in spreading the buying, just call Mrs. Housewife's attention to a food bargain on Tuesday and see what happens.

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WAR FOOD ADMINISTRATION EMPHASIZES "BASIC SEVEN"

As the start of a Nation-wide program to improve wartime diets and maintain nutrition standards in the face of changing food conditions, the War Food Administration has listed seven basic food groups which should be included in the daily diet of everybody. The seven groups of food are as follows:

- Group One.....GREEN AND YELLOW VEGETABLES
some raw-some cooked, frozen or canned.
- Group Two.....ORANGES, TOMATOES, GRAPEFRUIT
or raw cabbages or salad greens
- Group Three...POTATOES AND OTHER VEGETABLES AND FRUITS
raw, dried, cooked, frozen, or canned
- Group Four....MILK AND MILK PRODUCTS
fluid, evaporated, dried milk, or cheese
- Group Five....MEAT, POULTRY, FISH, OR EGGS
or dried beans, peas, nuts, or peanut butter
- Group Six.....BREAD, FLOUR, AND CEREALS
natural whole grain, or enriched or restored
- Group Seven...BUTTER OR FORTIFIED MARGARINE (Vitamin A added)

To emphasize the importance of daily eating of these seven food groups and to illustrate to homemakers ways of preparing them so that the most food value will be retained, food demonstrations will be held all over the country under the auspices of local defense councils. By this means it is hoped to introduce new foods into regional and racial diets, to check food waste, and to make the best possible use of the various foods available.

Soon available for public distribution will be a color poster illustrating the groups and emphasizing the slogan "U.S. NEEDS US STRONG-EAT THE BASIC 7 EVERY DAY." Each group will be identified not only by a number but by a special color.

WFA OFFERS TO BUY SURPLUS KRAUT IN BULK

To encourage contracting by packers for this year's kraut cabbage crop, the War Food Administration will offer to buy all stocks of bulk kraut remaining in packers' hands at the end of the marketing season. The Administration said that its offer, however, would apply only to packers certified by State USDA War Boards and on kraut produced from cabbage contracted and paid for at not less than \$12 per ton, the recently announced grower support price.

Packers' supplies not sold by May 1, 1944, will be purchased by the Food Distribution Administration at a price of 14½ cents per gallon for U. S. Grade C or better. If the kraut is packed in barrels, the FDA will assume the cost of the containers. If packed in other type containers, cost of both the containers and the packing operation will be assumed. Domestic type cabbage only will be eligible under this purchase program.

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WFA INCREASES CIVILIAN CANNED FISH SUPPLIES

The amount of canned fish available to civilians from the 1943 pack should be somewhat larger than from last year's pack, since Government requirements are being adjusted to secure a more equitable distribution between Government and civilian needs. This action was announced recently in Food Distribution Order No. 44, issued by the War Food Administration.

The quantities of 1943-pack canned fish which will be available to civilians under the order are estimated as follows: Salmon, 130 million pounds; pilchards, 81 million pounds; Atlantic sea herring, including sardines, 29 million pounds; tuna, bonito, and yellowtail, 21 million pounds; shrimp, 6 million pounds; and smaller quantities of other varieties. Officials said that these quantities are based on conservative estimates of the 1943 pack, and may be increased as the season progresses.

Due to a smaller carryover of canned fish in 1943, however, the per capita supply for this year may be about three-fourths of the 1942 civilian consumption.

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Increased requirements for dried fruits to meet military, civilian, and Lend-Lease needs necessitate the highest possible 1943 production of raisins. To attain this objective, the War Food Administration has revised Food Distribution Order No. 17 to provide that all raisin-variety grapes produced in eight California counties, except those covered by canning contracts approved by the Administration, be diverted into raisins. Details will be announced as soon as completed.

-PERTAINING TO MARKETING-

The following reports and publications, issued recently, may be obtained upon request from the Food Distribution Administration, War Food Administration, Washington, D. C.

Strategy on the Dairy Front (Address). . . By Tom G. Stitts

The Food Distribution Administration

Tentative U. S. Standards and Weights for Wholesale Grades for Shell Eggs

U. S. Standards for Creole Onions

65 Ways to Stretch your Meat Ration

Manpower Problems in Food Industries

General Review Wisconsin Potato Season 1942-43

Preliminary Review, Idaho Potatoes, 1942-43

Food Distribution Orders:

The following Food Distribution Orders have been issued since those listed in the March issue of Marketing Activities:

FDO No. 42 (Fats and Oils)

FDO No. 43 (Fats and Oils)

FDO No. 44 (Canned Fish and Canned Shellfish)

FDO No. 45 (Beans, Peas, and Split Peas)

FDO No. 46 (Fats and Oils)

FDO No. 47 (Honey)

FDO No. 48 (Livestock and Meats)

FDO No. 49 (Irish Potatoes)

FDO No. 50 (Wool)

FDO No. 51 (Molasses)

FDO No. 6.2(Citrus Fruit)

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